

FIRST SET OF DOCUMENT AND INFORMATION REQUESTS OF
THE DEPARTMENT OF COMMUNICATIONS AND ENERGY TO
BOSTON GAS COMPANY, COLONIAL GAS COMPANY AND ESSEX GAS COMPANY
D/B/A KEYSpan ENERGY DELIVERY NEW ENGLAND

D.T.E. 04-62

Respondent: Ann Leary

Information Request DTE 1-34

- Q. Refer to Exhibit KED/AEL-1, Page 10. Explain how the Company will treat the reconciliation factors after the first year of consolidation if some of the companies still have pre-existing under and over-collections of gas costs that have not been fully recovered.
- A. The Company is anticipating that the pre-existing under and over collections of gas costs will be recovered in the first year. The only factor that could significantly affect the recovery of this pre-existing under and over-collections will be throughput. If the actual throughput is significantly different from the projected throughput used in the calculation of the CGA factors then the Company may not recover all of the pre-existing over and under recoveries of gas cost during that first year. The Company will determine at the end of the first year the amount of pre-existing under and over collections of gas cost still outstanding. If the Company determines that the amount of pre-existing under and over collections is significant, then it will propose to continue the individual reconciliation factors for a second year.